

**UNITED STATES DISTRICT COURT
DISTRICT OF MAINE**

UNITED STATES OF AMERICA)	
)	
v.)	Criminal No. 2:18-cr-178-DBH
)	
DERONG MIAO)	
a/k/a "Amy," "Ronger," "Arong,")	
"Anna," "Lily," and "LiLi")	

AMENDED
PROSECUTION VERSION

If this case were to proceed to trial, the government would prove that from about July 9, 2016 and continuing until at least December 2016, in the District of Maine and elsewhere, the defendant conspired with her husband, Shou Chao Li, and others to engage in an interstate prostitution scheme involving multiple female Chinese nationals, in violation of 18 U.S.C. §§ 1952(a)(3), (b)(1), 2421, and 2422(a). The government would also prove that, at the same time, the defendant violated the Mann Act, 18 U.S.C. §§ 2421(a) and 2, by aiding and abetting the interstate transportation of the Chinese females for purposes of prostitution. The government would prove the following facts through witness testimony, physical evidence, and documentary evidence.

BACKGROUND

The defendant, Derong Miao, and her husband, Shou Chao Li, are Chinese nationals. They resided in New Hampshire in 2016 when they began engaging in an interstate prostitution scheme involving multiple Chinese females in Maine, New Hampshire, and Vermont. Most of the Chinese females entered the United States using B-2 Non-Immigrant Visas (NIVs), which allow for temporary entry for purposes of pleasure, tourism, or medical treatment. Individuals using B-2 NIVs are not permitted to work while in the United States, and individuals who do so

are in violation of law. Despite the illegality, some of the Chinese females believed they could be employed, or at least hoped to be employed, outside the prostitution industry, when they first arrived in the United States; however, due to a wide variety of circumstances they were unable to earn a wage substantial enough to live and/or repay debts associated with their travel to the United States. These Chinese females spoke little English and had limited or no familiarity with, or contacts in, Maine and neighboring states, including New Hampshire and Vermont.

THE CONSPIRACY

The object of the conspiracy was to make money by promoting and facilitating illegal prostitution activity through the movement of Chinese females throughout Maine, New Hampshire, and Vermont. It was part of the conspiracy that Chinese females in the United States were identified to engage in prostitution. Towards that end, conspirators directed Chinese females to contact the defendant regarding locations being used as houses of prostitution. The defendant then primarily used WeChat, an online social media platform, to ^{influence} ~~persuade~~ Chinese females to work in the prostitution industry at these locations. The Chinese females were expected to make payments to the defendant and her conspirators to cover the operating costs of their facilitation of the prostitution. Advertisements for commercial sex were purchased and posted by conspirators outside Maine for these locations utilized or financed by the defendant and her husband in Maine, New Hampshire, and Vermont before the commercial sex acts were complete. Additionally, other conspirators communicated directly with prospective prostitution customers who responded to the online advertisements and arranged prostitution acts between the Chinese females and customers at the various locations being utilized or financed by the defendant and her husband.

Next, at the direction of other conspirators, the defendant and her husband facilitated and caused travel, via ground transportation, of the Chinese females to various residences and hotels in Maine and New Hampshire. While working, the Chinese females were instructed by conspirators to check in and provide periodic updates using WeChat after a customer arrived at the hotel room or residence, when the customers had paid for the prostitution act, and after the customer had left. The defendant and her conspirators received those updates and benefitted financially from the prostitution of the Chinese females. Other conspirators kept records on which online advertisements were associated with a particular location utilized by the defendant and her husband; and the defendant and her husband then paid a portion of the proceeds gained from each completed commercial sex act to the conspirators responsible for posting associated advertisements for each location. Likewise, they paid another portion of the proceeds of prostitution to the co-conspirators responsible for communicating with the customers and arranging the commercial sex acts.

OVERT ACTS

In furtherance of the conspiracy, and in order to accomplish the purposes and objects thereof, the defendant, and other known and unknown, committed or caused to be committed one or more of the following overt acts, among others, in the District of Maine and elsewhere.

On about the following dates, the defendant and her husband, Shou Chao Li, leased identified residential properties and utilized the properties as locations where acts of prostitution occurred:

- (1) From about June 1 – July 18, 2016, Shou Chao Li rented the residence located at 5 Verrill Street in Portland, Maine.
- (2) Beginning on about July 29, 2016, the defendant and her husband rented the residence located at 977 Brighton Avenue in Portland, Maine.

- (3) Beginning on about August 1, 2016, the defendant and her husband rented the residence located at 43 West Street in Manchester, New Hampshire.
- (4) Beginning on about September 18, 2016, the defendant and her husband rented the residence located at 87 Harrington Avenue in Manchester, New Hampshire (“the New Hampshire residence”).

Beginning no later than July 2016 and continuing into the fall of 2016, the defendant used WeChat to communicate with, and arrange for, Chinese females who were present in the United States to engage in prostitution in New Hampshire and Maine, a region which the defendant described generally as “the Boston area.”

Once the Chinese females were identified and expressed interest, the defendant assisted with transportation and basic logistics which lead to several Chinese females traveling interstate to engage in prostitution for the benefit of the conspirators, including the defendant and her husband. Specifically, in October and November 2016, the defendant and her husband assisted Chinese females who traveled from Texas and New York, as well as from New York to Boston, Massachusetts, with ground transportation from Boston to New Hampshire, Portland, and South Portland, Maine. Once in the greater Portland area, the defendant and her husband also transported the Chinese females from hotel to hotel every few days to avoid law enforcement detection.

On about December 5, 2016, Chinese Female (“CF”) #2 was transported by the defendant and her husband from Massachusetts to Rhode Island where the three gambled; and, later the same day, the defendant and her husband transported CF #2 to the New Hampshire residence for the evening. The next day, CF #2 was transported to Maine by the defendant’s husband. On about December 14, 2016, the defendant and her husband arranged through Uber and otherwise for CF #2’s transportation from Maine, to New Hampshire and then to Massachusetts.

On about August 18, 2016, the defendant wired approximately \$3,190 (on behalf of a conspirator) to Co-Conspirator A, who was outside of Maine, for purposes of advertising Chinese females for prostitution at locations rented by, or associated with, the defendant and her husband.

On about September 18, 2016, the defendant wrote a check on a joint checking account she shared with her husband in the amount of \$1,880, payable to Co-Conspirator A so that Co-Conspirator A could pay for the cost of advertising Chinese females for prostitution on Backpage.com.

Beginning on about August 18, 2016, and continuing until at least October 30, 2017, on at least 33 occasions, the defendant and her husband leased, rented, or agreed to pay for the cost of identified locations (houses of prostitution or hotel rooms) in Maine, New Hampshire, and Vermont where identified Chinese females were actual or registered guests. The defendant's co-conspirators outside of Maine advertised the Chinese females online for prostitution using Backpage.com. The advertisements directed customers to the identified locations. While the Chinese females were engaged in prostitution at these locations, the defendant remained in close communication with them via WeChat and cellular telephones regarding location changes and the collection of prostitution proceeds.

THE MANN ACT COUNTS

From about October 7, 2016 until about December 6, 2016, the defendant was involved in organizing, planning, and directing the transportation of the following Chinese females from New Hampshire to Maine for purposes of prostitution: CF #9 (October 7th), CF #1 (October 10th), and CF #2 (December 6th). On about October 10, 2016, the defendant was involved in the same with regard to the transportation of CF #6 from Maine to New Hampshire.

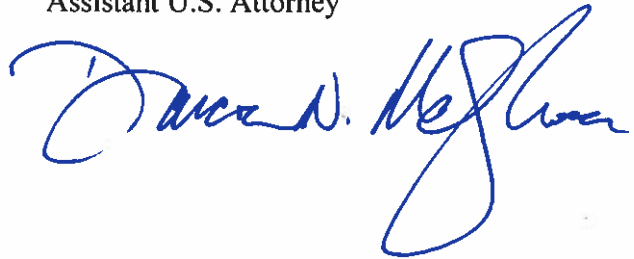
Date: June 24, 2021

June 29, 2021

Respectfully submitted,

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/s/ Darcie N. McElwee
Assistant U.S. Attorney



UNITED STATES DISTRICT COURT
DISTRICT OF MAINE

CERTIFICATE OF SERVICE

I hereby certify that on June ²⁹~~24~~, 2021, I electronically filed the Prosecution Version with the Clerk of Court using the CM/ECF system, which will send notification of such filing to the following:

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